

AMENDED IN SENATE MAY 10, 2006

AMENDED IN SENATE APRIL 17, 2006

SENATE BILL

No. 1774

Introduced by Senator Torlakson

February 24, 2006

An act to amend Sections 8483.5 and 8483.6 of the Education Code, relating to education funding, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1774, as amended, Torlakson. Before and after school programs: appropriations.

Existing law, the After School Education and Safety Program Act of 2002, an initiative statute, provides, commencing with the fiscal year beginning July 1, 2004, and for each fiscal year thereafter, for the continuous appropriation of an amount not to exceed \$550,000,000 from the General Fund to the State Department of Education for the After School Education and Safety Program, as specified. Existing law provides that in any fiscal year commencing with the fiscal year beginning July 1, 2004, that portion of that continuous appropriation which is in excess of the amount appropriated for that program for the immediately preceding fiscal year may not be appropriated until the Legislature has appropriated sums sufficient to fully fund the requirements of Sections 8 and 8.5 of Article XVI of the California Constitution for that year and shall be appropriated in addition to the sums required by, and shall not be considered towards fulfilling the funding requirements of, Sections 8 and 8.5 of Article XVI of the California Constitution for that fiscal year. The existing act prohibits the amendment of those provisions by the Legislature.

This bill would instead commence the existing continuous appropriation described in the paragraph above in the 2011–12 fiscal year beginning July 1, 2011. The bill would appropriate specified amounts from the General Fund to the State Department of Education for the After School Education and Safety Program in the 3-year period prior to the commencement of the continuous appropriation, including \$275,000,000 in the 2007–08 fiscal year, \$350,000,000 in the 2008–09 fiscal year, and \$450,000,000 in the 2009–10 fiscal year. The bill would, notwithstanding specified authority, revert any portion of the appropriation made for purposes of the After School Education and Safety Program in the 2006–07 fiscal year in excess of \$200,000,000 that is unencumbered as of November 7, 2006, to the General Fund. The bill would, pursuant to specified authority, revert to the General Fund the portion of the appropriation made in any fiscal year commencing with the 2007–08 fiscal year for purposes of the program that remains unencumbered at the end of a period of 3 years after the date upon which the funds first became available for encumbrance. The bill would allow the Legislature to appropriate an amount of General Fund money that is less than the amount of the appropriation made for purposes of the program, commencing with the appropriation in the 2007–08 fiscal year, by a statute that is passed by a $\frac{2}{3}$ vote of each house of the Legislature. The bill would provide that in any fiscal year commencing with the 2006–07 fiscal year, that portion of any appropriation made for purposes of the program which is in excess of the amount appropriated for the program described above for the immediately preceding fiscal year may not be appropriated until the Legislature has appropriated sums sufficient to fully fund the requirements of Sections 8 and 8.5 of Article XVI of the California Constitution for that fiscal year and shall be appropriated in addition to the sums required by, and shall not be considered towards fulfilling the funding requirements of, Sections 8 and 8.5 of Article XVI of the California Constitution for that fiscal year *or towards the payment of any maintenance factor amount for any fiscal year*.

This bill would make other technical and conforming changes to existing law consistent with those provisions.

This bill would require the Secretary of State to submit its provisions to the voters at the November 7, 2006, statewide general election.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8483.5 of the Education Code is
2 amended to read:
3 8483.5. (a) Notwithstanding Section 16304 of the
4 Government Code, any portion of the appropriation made for
5 purposes of the program established pursuant to this article in the
6 fiscal year beginning July 1, 2006, in excess of two hundred
7 million dollars (\$200,000,000) that is unencumbered as of
8 November 7, 2006, shall revert to the General Fund.
9 (b) In the fiscal year beginning July 1, 2007, two hundred
10 seventy-five million dollars (\$275,000,000) is hereby
11 appropriated from the General Fund to the department for the
12 program established pursuant to this article.
13 (c) In the fiscal year beginning July 1, 2008, three hundred
14 fifty million dollars (\$350,000,000) is hereby appropriated from
15 the General Fund to the department for the program established
16 pursuant to this article.
17 (d) In the fiscal year beginning July 1, 2009, four hundred fifty
18 million dollars (\$450,000,000) is hereby appropriated from the
19 General Fund to the department for the program established
20 pursuant to this article.
21 (e) Commencing with the fiscal year beginning July 1, 2010,
22 and for each fiscal year thereafter, there is hereby continuously
23 appropriated to the department from the General Fund for the
24 program established pursuant to this article an amount not to
25 exceed five hundred fifty million dollars (\$550,000,000) that is
26 the greater of (1) an amount equal to the appropriation from the
27 General Fund for the program established pursuant to this article
28 for the immediately preceding fiscal year, or (2) an amount equal
29 to the sum of (A) the appropriation from the General Fund for the
30 program established pursuant to this article for the 2009–10 fiscal
31 year, pursuant to subdivision (d), and (B) the amount by which
32 the state’s nonguaranteed General Fund appropriations for the
33 current fiscal year exceed the sum of (i) the amount of the state’s
34 nonguaranteed General Fund appropriations for the base year
35 plus (ii) one billion five hundred million dollars

1 (\$1,500,000,000). This section does not prohibit the Legislature
2 from appropriating funds for the program established pursuant to
3 this article in excess of this continuous appropriation.

4 (f) The appropriation made in any fiscal year commencing
5 with the fiscal year beginning July 1, 2007, for purposes of the
6 program established pursuant to this article shall remain available
7 for encumbrance as specified in Section 16304 of the
8 Government Code.

9 (g) For purposes of this section, the term “state’s
10 nonguaranteed General Fund appropriations” shall mean those
11 General Fund appropriations of the state in a fiscal year other
12 than those appropriations guaranteed to be applied by the state
13 for the support of school districts and community college districts
14 pursuant to Sections 8 and 8.5 of Article XVI of the California
15 Constitution. For purposes of this section, the “base year” is the
16 fiscal year during the period July 1, 2006, through June 30, 2010,
17 for which the nonguaranteed General Fund appropriations of the
18 state are the highest as compared to any other fiscal year during
19 that period.

20 (h) Notwithstanding subdivisions (b) to (e), inclusive, in any
21 fiscal year in which the Legislature has legal authority pursuant
22 to paragraph (3) of subdivision (b) of Section 8 of Article XVI of
23 the California Constitution to reduce the moneys applied by the
24 state for the support of school districts and community college
25 districts for the current fiscal year as compared to the moneys
26 applied by the state for the support of school districts and
27 community colleges during the immediately preceding fiscal
28 year, the appropriation made by subdivision (b), (c), or (d), or the
29 continuous appropriation made by subdivision (e), shall be
30 reduced for that fiscal year by the same percentage by which the
31 moneys applied by the state for the support of school districts and
32 community college districts in the current fiscal year is less than
33 the moneys applied by the state for the support of school districts
34 and community college districts during the immediately
35 preceding fiscal year.

36 (i) Notwithstanding subdivisions (b) to (e), inclusive, the
37 Legislature may appropriate an amount of General Fund money
38 that is less than the amount of the appropriation made by
39 subdivision (b), (c), or (d), or the continuous appropriation made

1 by subdivision (e), in any fiscal year, by a statute that is passed
2 by a two-thirds vote of each house of the Legislature.

3 (j) All funds expended pursuant to this article shall be used
4 only for the purposes expressed in this article. Except for funds
5 expended pursuant to subdivision (b) of Section 8482.55, all
6 funds expended pursuant to this article shall be used to
7 supplement and not supplant existing levels of service.

8 SEC. 2. Section 8483.6 of the Education Code is amended to
9 read:

10 8483.6. Notwithstanding subdivision (f) of Section 41202, in
11 any fiscal year commencing with the fiscal year beginning July 1,
12 2006, that portion of any appropriation made by Section 8483.5
13 for the program established pursuant to this article which is in
14 excess of the amount appropriated for the program established
15 pursuant to this article for the immediately preceding fiscal year
16 shall not be appropriated until the Legislature has appropriated
17 sums sufficient to fully fund the requirements of Sections 8 and
18 8.5 of Article XVI of the California Constitution for that year and
19 shall be appropriated in addition to the sums required by, and
20 shall not be considered towards fulfilling the funding
21 requirements of, Sections 8 and 8.5 of Article XVI of the
22 California Constitution for that fiscal year *or towards the*
23 *payment of any maintenance factor amount pursuant to*
24 *subdivision (e) of Section 8 of Article XVI of the California*
25 *Constitution for any fiscal year.*

26 SEC. 3. The Secretary of State shall submit Sections 1 and 2
27 of this act to the voters at the November 7, 2006, statewide
28 general election.

29 SEC. 4. This act is an urgency statute necessary for the
30 immediate preservation of the public peace, health, or safety
31 within the meaning of Article IV of the Constitution and shall go
32 into immediate effect. The facts constituting the necessity are:

33 In order to ensure the fiscal integrity of the State of California
34 by submitting the provisions of this act to the voters at the
35 November 7, 2006, statewide general election, it is necessary that
36 this act take effect immediately.